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May 30, 2007

Mr. Craig Melodia  
Assistant Regional Counsel  
USEPA - Region 5  
77 West Jackson Boulevard (C-29A)  
Chicago, IL 60604-3590

Re: Ashland NSP Lakefront Superfund Site  
Administrative Order on Consent -- Docket No. V-W-04-C-764

Dear Mr. Melodia:

As you know, on June 20, 2006, Northern States Power Company, a Wisconsin corporation (a wholly owned subsidiary of Xcel Energy Inc., d/b/a/ Xcel Energy) ("NSPW"), submitted for USEPA's consideration and at its request a report captioned "PRP Investigation Report." The purpose of this correspondence is to supplement that report with this further information, which can be considered Addendum A thereto. Included in this Addendum are copies of affidavits recently secured from witnesses Norman and Roland Peterson and Robert Kabasa, who provide relevant information regarding the activities surrounding the City of Ashland's initial construction of a wastewater treatment plant in or about 1952 and regarding Schroeder Lumber's on-site treatment of railroad ties.

Additionally, the following paragraph from the publication "Chequamegon Bay And Its Communities, A Brief History 1659-1883" (Larson at p. 201) is apt:

The spectacular growth of Ashland from 1870 to the early years of the boom period is reflected in the Federal census figures. In 1870, no one lived in Ashland. In 1880, the white population of the Town of Ashland, almost all of which would have been concentrated in the village, was 775. By 1890 the population of Ashland, now a city, was 9,956, an increase of 9,181 in ten years. (In 1905, as the "boom" was turning to "bust," Ashland attained what was probably its peak population of 14,519; by 1910 it was down to 11,594). The economic and civic development which accompanied this growth is shown by a "bird's eye view" of the village from June 1885 (AWP 6/16/85). From the Union Mill Company at 14<sup>th</sup> Avenue West, to the great ore dock of the Milwaukee, Lake Shore and Western Railroad at 16<sup>th</sup> Avenue East, the shore was lined with mills, yards, docks, and log booms. Next after the Union mill came the John Canfield Company boom, then the Superior Lumber Company, Vaughn's dock, Chequamegon Hotel dock, Wisconsin Central Railroad dock, Michigan Lumber Company, Mueller and Ritchie Mill, Twiggs and Selsby Planing Mill, Ashland Lumber Company, Ashland Water Company pump house, and finally the commercial dock and ore dock of the Milwaukee, Lake Shore and Western Railroad.

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Lastly, we enclose a copy of notes from WDNR's consultant, SEH, concerning a discussion apparently held with Dave Wasepka of the City of Ashland in 1994, indicating that Wasepka "[h]ad always heard that there was a creosote pit associated with Schroeder Saw Mill."

Please consider this further information as you evaluate NSPW's requests contained in the PRP Investigation Report. Please contact me should you have any questions.

Very truly yours,

**MICHAEL BEST & FRIEDRICH LLP**



David A. Crase

Enclosures

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**AFFIDAVIT  
OF  
NORMAN PETERSON**

STATE OF WISCONSIN     )  
                                      ) SS.  
COUNTY OF ASHLAND     )

I, NORMAN PETERSON, the undersigned, do hereby depose and state as follows:

1. My name is Norman Peterson. I have personal knowledge of the facts set forth below, and would so testify if called as a witness.

2. I live at 1735 Cary Street, in Ashland, Wisconsin. I was born on September 11, 1940 and I am 66 years old. I am currently retired. I do some part time work with International Explorations.

3. I lived at 609 St. Clair Street in Ashland until about 1951 or 1952. Then I lived at 317 East Front Street in Ashland until about 1961 or 1962. As a child growing up in Ashland, my brother, Rollie Peterson, and I often went to the lake to go fishing in the area that is now known as Kreher Park. We went to the lakefront in the summer and after school.

4. I went down to the lake when the waste water treatment plant was being constructed in 1951 and 1952. I was 11 or 12 years old. When the construction was being done, I saw a large excavated hole that was very deep. I looked into the hole many times and saw slab wood material and it was full of dark colored water with an oily sheen. There was a very strong, nauseating creosote smell coming out of the hole.

5. There was a pump by the hole with a hose going into the pit and another hose from the pump going into the lake. I heard the pump and I watched as the water was pumped from the hole into the bay by a hose. I do not remember seeing any excavating equipment near the hole. When water was pumped from the hole into the bay, I remember seeing fish like perch, walleye and suckers floating on the surface. I noticed this because I liked to fish in the area.

6. At this same time, when I was about 11 or 12 years old, I saw a tar pit that was located on the John Schroeder Lumber Company property on the lakefront. I saw that the tar pit had pilings in it. I remember this because when I was a kid about 11 or 12 years old, we would go down to the property and shove sticks into the tar pit to see how deep it was.

7. In about 1964, I had a conversation with August Engstrom who was a former Schroeder Lumber Company employee and who is now deceased. August was much older than me and we talked about fishing. August told me that the Schroeder Lumber Company had an agreement with the railroad companies to treat railroad ties and that is why the tar pit was located on the property.

8. I have not received any payment or benefit of any kind from any party for making this Affidavit.

Dated this 17 day of May, 2007.

Norman Peterson  
Norman Peterson

Subscribed and sworn to before me  
this 17 day of May, 2007.

Renee Venetos Exum

Print Name: Renee Venetos Exum

Notary Public, State of Wisconsin

My Commission: 3/8/2009.



Q:\CLIENT\070086\0053\B1031495.1  
4/10/07

**AFFIDAVIT  
OF  
ROLAND PETERSON**

STATE OF WISCONSIN     )  
                                      ) SS.  
COUNTY OF ASHLAND     )

I, ROLAND PETERSON, the undersigned, do hereby depose and state as follows:

1. My name is Roland Peterson. I go by Rollie. I have personal knowledge of the facts set forth below, and would so testify if called as a witness.

2. I live at 1503 9<sup>th</sup> Avenue West, in Ashland, Wisconsin. I was born on October 7, 1943 and I am 63 years old. I lived at 609 St. Clair Street in Ashland until about 1951 or 1952. Then I lived at 317 East Front Street in Ashland until about 1961.

3. As a child growing up, my brother, Norman Peterson, and I spent a lot of time on the lakefront in the area of the old waste water treatment plant between Prentice Avenue and Ellis Avenue. We would play down at the lakefront all summer almost every day. We would also go down to play at the lakefront after school.

4. I remember when the old waste water treatment plant was constructed on the lakefront area. When the plant was being constructed, I would go down to the lakefront with my brother Norm to play and fish. I was about 9 or 10 years old. The construction workers asked my brother and me to help clear brush in the area.

5. When I played down at the lakefront, I would go look at the construction. I saw a large excavated hole filled with dark colored water with an oily sheen on top. I also saw the dark colored water being pumped directly into the bay by hoses that ran from the hole across the land and into the bay. I saw a pump near the pit, with a hose going into the hole and another hose going into the lake. I could hear the pump. When I was near the hole, I could smell a very strong creosote smell from the hole.

6. I watched the water from the hole being pumped from the hole into the bay. During the same time, I also saw fish floating on the surface of the bay which caused me concern.

7. I have received no payment or benefit of any kind from any party for making this Affidavit.

Dated this 17 day of May, 2007.

Roland Peterson  
Roland Peterson

Subscribed and sworn to before me  
this 17 day of May, 2007.

Renee Venetos Exum

Print Name: Renee Venetos Exum  
Notary Public, State of Wisconsin  
My Commission: 3/8/2009

AAffidavit of Rollie Peterson (B1031373).DOC 5/17/07



**AFFIDAVIT  
OF  
ROBERT KABASA**

STATE OF WISCONSIN     )  
                                      ) SS.  
COUNTY OF ASHLAND     )

I, Robert Kabasa, first being duly sworn, state and depose under oath as follows:

1. My name is Robert Kabasa. I have personal knowledge of the facts set forth below, and would so testify if called as a witness.

2. I live at 27255 Kabasa Road in Ashland, Wisconsin. I was born on December 12, 1941 and I am 65 years old. After I graduated from high school, I joined the Air Force in January, 1961. In December, 1964 I returned to Ashland and went to work for the power company. I am currently a retired employee of the Xcel Energy Bayfront plant.

3. I was born in Ashland, and lived at 215 N. Prentice Avenue in Ashland from when I was 6 years old until I graduated high school in 1960. I went to the lakefront 3 or 4 times a week in the summer when I was around 10 or 11 years old. I would go fishing and swimming in the area that is now known as Kreher Park.

4. I remember when the old waste water treatment plant was constructed in 1952 to 1954. I would go down to the lakefront area a couple days a week to watch the construction of the treatment plant. I remember someone named Sully Sullivan who was a construction company foreman. He asked me and some other kids to help haul lumber to the landfill. Sully would then take me and the other kids to the Dairy Queen on the way back to the lakefront.

5. When the plant was constructed, holes were dug for the foundation of the plant. I was about 10 or 11 years old at the time. I saw the holes when they were dug out. When the holes were dug, I saw slab wood and black sawdust dirt removed from the hole. After they were dug out, I used to look into the holes and saw that there was water in the holes. When I looked at the top of the water, I saw an oily type slick on top that looked like a rainbow. There were one or two pumps near the holes that had hoses going into the holes. I saw that the water was pumped out of the hole with sludge pumps. The water was pumped from the holes to the ground away from the hole.

6. I recall that there was a tar pond near the waste water treatment plant. This was about 1946 when we moved to Prentice Avenue, and I remember the tar pond being in that area until January 1961 when I left to join the Air Force. As a kid I used to walk across the tar pond in the fall and winter. One time during the summer before I was old enough to go to High School, I recall chiseling pieces of coal tar from the tar pond with my dad to take home and repair leaks in our roof. We had a dog, and I remember my mother telling me once that the dog came home one day full of tar from the tar pond.

7. I have not received any payment or benefit of any kind from any party for making this Affidavit.

Dated this 17 day of May, 2007.

Robert Kabasa  
Robert Kabasa

Subscribed and sworn to before me  
this 17<sup>th</sup> day of May, 2007.

Renee Venetos Exum  
Print Name: Renee Venetos Exum  
Notary Public, State of Wisconsin  
My Commission: 3/8/2009.







## RECORD OF TELEPHONE CONVERSATION

By Cy Ingraham  
Project No. WIDNR 9401.69  
Project Title Ashland Waterfront  
Date 7/19/94 Time 7:45 (am)(pm)  
Individual Dave Wasepka Title WWTP manager  
Organization City of Ashland Location Ashland  
Subject History Phone No. (715) 776 827056  
Route to \_\_\_\_\_

### Items Discussed

1973 employee of former WWTP  
was a spec running through site, City filled area  
with fly ash from LSDP, 2' of fill throughout  
City, dog pond formerly located, no observation  
of contaminants, fill extended 50' west of fire  
excavated in area of fire hydrant, 2' below  
grade slabs, debris, sheen on water. Lift station  
hit hard clay ~ 3'. no sheen or crossite  
Had always heard that there was a creosote pit  
associated with Shmedes Saw Mill. Not into breaking  
heavily, only on a case basis.

### Comments or Action Required

Fill - Fly ash, sand dust

